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February 3, 2004

Hon. James H. Welsh Commissioner of Conservation State of Louisiana P.O. Box 94275 Baton Rouge, LA 70804-4275

RE: APPLICATION FOR PUBLIC HEARING

MIO 8C Sand Reservoir D MIO 9A Zone Reservoir D MIO 9F Zone Reservoir G MIO 11C Zone Reservoir B MIO 12F Sand Reservoir A

MIO 12F Sand Reservoir, Bol Zone Reservoir A,

MIO 8A RD SUA

MIO 8B RD SUA

MIO 8D RB SUA

MIO 10A MARK RA SUA,

Potash Field, Plaquemines Parish, Louisiana

## Gentlemen:

Sundown Energy, Inc. ("Applicant"), through undersigned counsel, hereby respectfully applies for a public hearing to consider evidence relative to the issuance of orders to establish rules and regulations governing the creation of exploration and production of gas and condensate from the MIO 8C Sand Reservoir D, the MIO 9A Zone Reservoir D, the MIO 9F Zone Reservoir G, the MIO 11C Zone Reservoir B, the MIO 12F Sand Reservoir A and the Bol Zone Reservoir A; and to revise the units previously created for the MIO 8A RD SUA, created by Order 264-T-1, effective April 9, 2002, the MIO 8B RD SUA, created by Order 264-R-1, effective January 8, 2002, and the MIO 10A MARK RA SUA, created by Order 264-X, effective January 8, 2002, to wit:

1. To create a single drilling and production unit for each of the following described sands or zones and to force pool and integrate all separately owned tracts, mineral leases and other property interests within the units so created:

Jones, Walker, Waechter, Poitevent, Carrère & Denègre L.L.P.

- 1.a. The MIO 8C Sand, Reservoir D, in the Potash Field, Plaquemines Parish, Louisiana, is hereby defined as that gas and condensate bearing sand between the depths of 7808' and 7823', ELM (7781' to 7796' true vertical depth), in the Sundown Energy, Inc.- Haspel and Davis No. 2 Well, located in Section 13, Township 18 South, Range 15 East, Plaquemines Parish, Louisiana;
- 1.b. The MIO 9A Zone, Reservoir D, in the Potash Field, Plaquemines Parish, Louisiana, is hereby defined as that gas and condensate bearing zone between the depths of 7992' and 8309', ELM (7963' to 8277' true vertical depth), in the Sundown Energy, Inc. Haspel and Davis No. 2 Well, located in Section 13, Township 18 South, Range 15 East, Plaquemines Parish, Louisiana;
- 1.c. The MIO 9F Zone, Reservoir G, in the Potash Field, Plaquemines Parish, Louisiana, is hereby defined as that gas and condensate bearing zone between the depths of 8440' and 8899', ELM (8405' to 8859' true vertical depth), in the Sundown Energy, Inc.- Haspel and Davis No. 2 Well, located in Section 13, Township 18 South, Range 15 East, Plaquemines Parish, Louisiana;
- 1.d. The MIO 11C Zone, Reservoir B, in the Potash Field, Plaquemines Parish, Louisiana, is hereby defined as that gas and condensate bearing zone between the depths of 9645' and 9768', ELM (9598' to 9721' true vertical depth), in the Sundown Energy, Inc.- Haspel and Davis No. 2 Well, located in Section 13, Township 18 South, Range 15 East, Plaquemines Parish, Louisiana;
- 1.e. The MIO 12F Sand, Reservoir A, in the Potash Field, Plaquemines Parish, Louisiana, is hereby defined as that gas and condensate bearing sand between the depths of 10288' and 10335', ELM (10240'to 10287' true vertical depth), in the Sundown Energy, Inc.- Orleans Levee Board No. 1 Well, located in Section 13, Township 18 South, Range 15 East, Plaquemines Parish, Louisiana; and
- 1.f. The Bol Zone, Reservoir A, in the Potash Field, Plaquemines Parish, Louisiana, is hereby defined as that gas and condensate bearing zone between the depths of 10890' and 11191', ELM (10840' to 11141' true vertical depth), in the Sundown Energy, Inc.- Haspel and Davis No. 2 Well, located in Section 13, Township 18 South, Range 15 East, Plaquemines Parish, Louisiana.
- 2. To designate a unit operator for the proposed units identified in item 1 above and to designate unit wells for each said unit.
- 3. To provide that the Commissioner may reclassify each such reservoir identified in item 1 above by supplemental order without the necessity of a public hearing should such reclassification be warranted, based on evidence furnished to the Commissioner.

- 4. To revise the units for the MIO 8A RD SUA, created by Order 264-T-1, effective April 9, 2002, the MIO 8B RD SUA, created by Order 264-R-1, effective January 8, 2002, the MIO 8D RB SUA, created by Order 264-E-1, effective January 8, 2002, and the MIO 10A MARK RA SUA, created by Order 264-X, effective January 8, 2002, to wit:
  - 4.a. To dissolve the unit for the MIO 8A RD SUA, created by Order 264-T-1, effective April 9, 2002, and simultaneously to create a unit for the MIO 8A RD SUA as per the plat attached hereto.
  - 4.b. To dissolve the unit for the MIO 8B RD SUA, created by Order 264-R-1, effective January 8, 2002, and simultaneously to create a unit for the MIO 8B RD SUA as per the plat attached hereto.
  - 4.c. To dissolve the unit for the MIO 8D RB SUA, created by Order 264-E-1, effective January 8, 2002, and simultaneously to create a unit for the MIO 8D RB SUA as per the plat attached hereto.
  - 4.d To dissolve the unit for the MIO 10A MARK RA SUA, created by Order 264-X, effective January 8, 2002, and simultaneously to create a unit for the MIO 10A MARK RA SUA as per the plat attached hereto.
- 5. To consider any other matters which may be pertinent to this application.

Pertinent data concerning this application is available for inspection at the offices of W. H. Robbins and Associates, 140 Rue Beauregard Suite 100, Lafayette, Louisiana, 70508, telephone 337-232-5004. Any person wishing to inspect such data should call Arthur M. Christy at 337-232-5004 during normal business hours in order to arrange a date and time for such inspection. A copy of any such data which is not otherwise available at the Office of Conservation can be obtained from applicant at the expense of the requesting party.

By letter of January 7, 2004, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning these matters. A timely request for a pre-application conference was not received and none was held. However, Applicant did receive and agreed to by phone conference with its consultant, Arthur M. Christy, one request for a minor revision (increase in acreage from approx. 18 to approx 21 acres) to the proposed unit for the MIO 9A Zone, Reservoir D. Additionally, the plat for the MIO 12F Sand Reservoir A, submitted with the pre-application notice was incorrectly labeled as having the Orleans Levee Board No. 2 as its unit well. This has been corrected to label the unit well as the Pre-application notice was incorrectly labeled the Orleans Levee Board No. 2 as its unit well. This has been corrected to label the unit well. This has been corrected to label the unit well as the Haspel & Davis No. 2.

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Accordingly, the proposed plats for each of these units are attached to this application. Also attached hereto is a list of names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent, pursuant to the Revised Rules of Procedure, such list is being forwarded to the Commissioner of Conservation and to the District Manager of Lafayette, Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide posting of a copy of the Legal Notice of this hearing and the enclosed plat at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Potash Field, Plaquemines Parish, Louisiana, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check in the amount of \$7,750.00 payable to the Commissioner of Conservation for the application fee.

With kindest regards, I am

Very truly yours

Robin D. McGuire

RDM/cbl Enclosures

cc: Richard D. Hudson (w/encl.)
Craig Nielson (w/encl.)
Interested Owners (with plats)
Represented Parties (with plats)
Interested Parties (with plats)





